Hike in natural gas prices

732. SHRI RUMANDLA RAAMACHANDRAYYA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Power Ministry and various State Governments including Andhra Pradesh, Tamil Nadu and Uttar Pradesh have vehemently opposed Ministry's proposal to hike gas prices to Rs. 4,200 per thousand cubic meters by January 1, 2003 and subsequently to Rs. 5,800 per thousand cubic meters from April;

(b) if so, the reasons for the objections of the Power Ministry and various States; and

(c) to what extent Government have dropped the proposal in view of the great opposition?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH GANGWAR): (a) and (b)Yes, Sir. The main objections raised by Union Power Ministry and some State Governments has been that increase in the natural gas prices would lead to increase in the cost of production of power. It will be difficult to realize the higher power tariff from the consumers by the State Electricity Boards which are already under serious financial crisis. Increase in the gas price will have cascading effect in agriculture and other sectors of economy.

(c) No decision in the matter has been taken.

Revision of commission to petrol dealer

733. PROF. M. M. AGARWAL: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that Commission of Petrol dealers also gets affected due to the daily fluctuation in petrol prices in the country;

(b) whether it is also a fact that petrol dealers have presented a memorandum to Government recently in order to increase their commission;

(c) if so, the details thereof and necessary action taken by Government in this regard; and